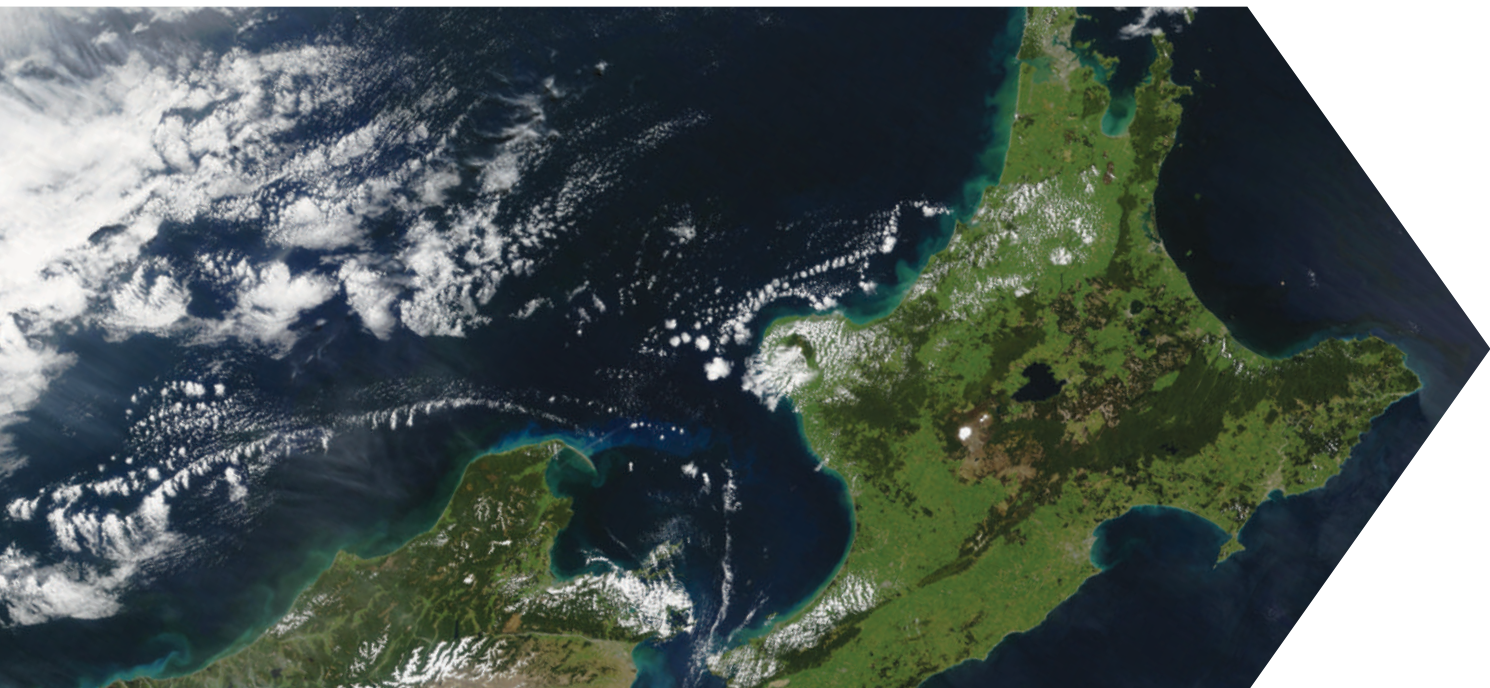




International Affairs

Discussion Document



Contents

Introduction from the Leader	2
Introduction from National's Foreign Affairs and Trade spokesperson	4
Foreign Policy	5
Defence	13
Security Services	16
Trade	18
Official Development Assistance	23
Our International Affairs team	26
Questions and feedback	27



Introduction from National Party Leader Simon Bridges

New Zealanders can be rightfully proud of the influence we have had on the world stage over the last century. From fighting aggression, advancing democracy and human rights, strengthening development, and promoting a more secure and prosperous multilateral rules-based system, we have overcome the tyranny of distance to act as a model global citizen.

In a more polarised global environment, with rising security and trade tensions, it is even more important we play an active part in the world community. We must be more engaged with our allies, partners and friends, and more engaged with New Zealanders, to ensure we can deliver for all New Zealanders.

National supports an independent foreign policy that works in the best interests of New Zealand. That means promoting shared values, enhancing security, and extending trade partnerships to create growth and opportunities for New Zealanders.

Trade encourages our businesses to grow and fosters job creation. This has a positive impact on our local communities. Positive relationships with our neighbours and beyond means New Zealanders continue to enjoy the ability to move freely around the world.

We also have a duty as a developed nation to deliver assistance to countries that need support.

We deliver aid effectively, with a clear strategy and a framework to measure results. At the same time, our Official Development Assistance is a significant sum of money and New Zealand taxpayers need to be assured their taxes are being spent wisely and responsibly. We should be regularly reviewing the projects New Zealand invests in and ensuring they deliver best value for money.

We cannot take our international influence for granted. No other country will stand by waiting to hear from us if we do not speak up.

We must be bold in our defence of the interests of our country and vigilant in the protection of the values we hold dear.

Our voice internationally means little if it does not authentically articulate our values.

We must continue to build trust with New Zealanders that our foreign exchanges are in their interests. And we must maintain confidence with international partners that our contributions make a positive impact on the global community.

We must be clear with New Zealanders about what it is we are fighting for. We must engage on our objectives, and remain focused on delivering them. And we must continue to walk the talk of a model citizen in an interconnected and interdependent world.

This document outlines a vision from National on how to chart our course in the world, consistent with our core values and our responsibility to provide security and opportunities for New Zealanders. It also raises a number of questions we'd like your feedback on to help inform our policy development process.

National welcomes your feedback on these ideas as we build our plan for how New Zealand should be presented on the world stage.



Simon Bridges
National Party Leader
Leader of the Opposition



Hon Simon Bridges with the President of Chile, Sebastián Piñera.



Hon Simon Bridges with the President of South Korea, Moon Jae-In.



Introduction from Todd McClay

National's Foreign Affairs and Trade Spokesperson

New Zealand is a small country that wields influence beyond its size. But we don't operate in isolation. New Zealand's approach to foreign and security policy must be transparent to all New Zealanders.

Our opinion is respected and trusted internationally and for a modest country our voice is persuasive. With this comes both opportunity and responsibility.

It is our duty to advance New Zealand's national interests as a responsible member of the international community and to defend the values that we hold on to.

Our values

Democracy: Strong democracies build strong societies. Free and fair elections, respect for the rule of law, accountability and governments free from corruption are fundamental principles we stand for.

Freedom: Freedom of expression, freedom of association, freedom of religion, and freedom from oppression are all important parts of New Zealand society. So too are the economic freedoms that underpin New Zealand's economy and our commitments to fair and free trade. We have consistently defended these fundamental principles at home and abroad.

We must be outward facing while actively advancing our national interests for the good of all New Zealand.

Hon Todd McClay

National's Foreign Affairs and Trade Spokesperson

Tolerance and Human Rights: Respect for human dignity and individual choice is something New Zealanders have fought for. We have a proud history of championing universal human rights and will continue to do so.

Safety and security: Ensuring New Zealanders are secure at home and overseas is vitally important. We must cooperate internationally and work diligently domestically to defeat extremism and reduce the risks of terrorism.

National believes we must continue to be outward facing and nationally focused in our foreign and security policy. We will continue to advance fundamental values on the world stage.

We want your thoughts on the following:

- How can New Zealand best reflect our values in foreign and security policy?
- What other values should New Zealand promote internationally?



Foreign Policy

"We must always remember that we act on behalf of New Zealanders. Everything we do on the world stage must reflect their interests and values."

Todd McClay

Spokesperson for Foreign Affairs

National believes our foreign policy must be ambitious. It should seek to deliver greater international opportunities for New Zealanders and their businesses. We must use the tools of diplomacy to advance democracy, protect human rights, and promote inclusiveness around the world. First and foremost, foreign policy needs to be used to advance the interests of New Zealand.

We are committed to enhancing New Zealand's hard won reputation as an honest broker and considered voice and as a proponent of peace and human rights across the world.

We will continue to combat terror, maintain international peace and stability, support victims of conflict and disaster and protect the environment.

We will continue to ensure our Pacific neighbourhood can prosper and is secure, and we will continue work to improve lives there and in other parts of the world through development assistance.

Defending our values

Over recent years, there have been many examples of aggressive and violent actions by state and non-state actors around the world. New Zealand must uphold our values in confronting such aggression.

The conduct of Russia towards Ukraine and their use of nerve agents in the United Kingdom; recent terror attacks in India and Sri Lanka; and the abhorrent disregard for democracy and human rights in Venezuela are examples that

reach the threshold demanding New Zealand's swift and strong condemnation. To not do so risks creating confusion and uncertainty with our friends and allies.

The National Government introduced the Autonomous Sanctions Bill to Parliament. This Bill would empower New Zealand to impose sanctions on countries where we believe they are warranted and outside of the 'held hostage' United Nations sanctions regime. This authority should be used sparingly, but is an important tool in New Zealand's fight against aggression and in support of democracy, human rights and fundamental freedoms.

National believes New Zealand should pass the Autonomous Sanctions Bill as a priority so we can stand with likeminded countries against aggression and breaches of human rights.

We want your thoughts on the following:

- Should New Zealand introduce powers to allow us to impose sanctions on countries without waiting for the United Nations Security Council to act?
- Should New Zealand continue to condemn the aggressive actions of countries where they occur?

Active engagement

New Zealand's international footprint has evolved over the past decade. We continue to value long held relationships while responding to new and exciting opportunities in parts of the world that are growing quickly.

The work our diplomats do on our behalf is important. Today we have 58 Ministry of Foreign Affairs and Trade posts in 51 countries and 40 New Zealand Trade and Enterprise

locations around the world. We have diplomats accredited to 174 countries and organisations. We are members of – and represented in – almost every international body. In total more than 1000 New Zealanders work for us in these posts at any one time. This is a significant commitment on the part of the New Zealand taxpayer.

In the 2018/19 financial year, New Zealand will spend about \$1.3 billion on foreign affairs and Official Development Assistance. The Ministry of Foreign Affairs' budget was \$549 million and our Official Development Assistance Budget was \$768 million. Of this \$364 million is spent on our international affairs and representation.

When in Government, National announced and funded 10 new diplomatic posts in Abu Dhabi, Addis Ababa, Bridgetown, Chengdu, Guangzhou, Honolulu, Yangon, Bogota, Colombo and Dublin. New Zealand has also recently reopened a shared mission in Stockholm.

National believes the effectiveness of our overseas representation must be a primary focus and respond to the needs of New Zealanders.

We want your thoughts on the following:

- Where do you believe New Zealand needs to increase our international footprint?
- How can we deliver better value for money when it comes to our international presence?

Demystifying Foreign Affairs

New Zealanders have a deep interest in our international engagement. From our work with the United Nations and World Trade Organisation to our membership of the Asian Infrastructure Investment Bank and Asian Development Bank we make commitments

that have an impact on New Zealand. As a responsible international citizen we must meet our obligations and play our part and for many of these organisations New Zealand has shown leadership and we can be proud of this.

In foreign policy what's not said is often as important as what is. New Zealanders deserve to know more about foreign affairs decisions and their implications before they are made.

Foreign affairs can seem remote. The public has a right to information in a more timely fashion.

Our foreign policy interests are often straight forward. It is the Government's responsibility to engage and explain what those interests are and to maintain public support and trust for our international activities. Parliament too should play a greater role in demystifying foreign policy through enhanced interaction, scrutiny and debate.



Hon Simon Bridges meeting a Japanese Parliamentarian delegation.

Bipartisanship

Bipartisanship builds public confidence in the Government's international activities. For this reason we must always build public consensus and cross party support for foreign policy.

A bipartisan approach to foreign affairs has made important contributions to New Zealand succeeding internationally. Bipartisanship does not mean the Government and Opposition will always agree, however; robust parliamentary debate is vital to improving foreign policy.

For foreign policy to be truly bipartisan the Government must actively engage, consult and include the public.

National believes the public deserves openness and more information on New Zealand's activities on the world stage.

We want your thoughts on the following:

- Should the Government engage in more outreach within New Zealand on issues relating to our foreign policy?
- Should Parliament have greater scrutiny of foreign affairs decisions?
- Is robust parliamentary debate an important part of good foreign policy?
- How do we best ensure that bipartisanship is at the core of our foreign policy?

The Pacific

New Zealand has strong ties to the Pacific through a rich history and deep present-day connection. This relationship is built upon mutual respect and understanding. As neighbours we have a common commitment to advance regional cooperation in the interests of our citizens.

National is proud to have signed the world's first truly development-focused trade agreement, Pacer Plus, with Pacific Island Forum countries and Australia in Tonga in 2017.

It is important we continue to act responsibly in our relationship with Pacific Island nations. This includes better support so they can to grow their economies sustainably, provide core services for their citizens, improve their governance, better protect the environment and adapt to climate change.



Hon Todd McClay at the signing of the Trans-Pacific Partnership Agreement.

Climate Change obligations

The Paris Agreement on Climate Change signed by the National Government in 2016 is an important part of New Zealand's international commitment to take action.

National is committed to tackling the issue of climate change in a measured and responsible way. We believe everyone has a role to play as we rise to the challenge of transitioning to a low emissions economy. We must act to reduce our emissions in concert with 194 other countries because this is truly a global issue requiring a global response.

Foreign policy has an important role to play in informing other nations of the progress we are making and encouraging them to also meet their international commitments.

Multilateral Engagement

New Zealand is a member of most multilateral organisations and we are a founding member of many. We have a history of constructive engagement and have worked tirelessly with likeminded countries to advance our interests and uphold our values. We are financial contributors to these organisations and as such the taxpayer has a right to expect they work effectively and efficiently.

It is a long held National Party position that the United Nations Security Council veto should be abolished. The veto means that the Security Council is too often unable to agree on sanctions against rogue and aggressive states as any one permanent member can veto a resolution that would allow New Zealand to apply sanctions.

National proposes to continue our advocacy of United Nations reform to remove the Security Council's veto system.

National believes New Zealand should continue working with multilateral organisations to advance our interests and uphold our values.

We want your thoughts on the following:

- Should the United Nation's Security Council retain the current veto system for the five permanent members of the United Nations Security Council?
- What other reforms should New Zealand seek at the United Nations?

Deepening relationships

New Zealand should look to develop new relationships around the world, but there is still more to be done to optimise those we already have.

We are a highly connected nation. Our location in the Asia-Pacific has placed us well to develop diplomatic ties across the region. Our historical engagement with the United Kingdom, United States of America and Commonwealth countries is an asset. These relationships remain extremely important in our ability to influence international affairs.

Brexit and the European Union offer both opportunity and risk. We must remain actively engaged to limit harm and ensure obligations owed to New Zealand are met. This is why the previous National Government announced a new embassy in Dublin and put senior trade diplomats in London, Paris and Geneva.

Our relationships with China and South East Asian countries must be respected and maintained. In an environment of competing priorities, greater weight must be afforded to those relationships.



Hon Simon Bridges with the President of Indonesia, Joko Widodo.

Australia

New Zealand's relationship with Australia is our most important. There is no other relationship which is more comprehensive.

Through international cooperation, a joint effort in the Pacific, the movement of people, trade and alignment of laws and regulations our two countries have prospered. Our joint commitment to completing the Trans-Tasman Single Economic Market agenda will deliver ongoing benefits to our citizens.

Last year we exported over \$14 billion in goods and services to Australia. Foreign direct investment from Australia into New Zealand is worth over \$56 billion, or 52 per cent of total foreign direct investment in New Zealand.

Through mutual recognition agreements and the Trans-Tasman travel arrangements, New Zealanders and Australians move more freely and find opportunities in each country.

For the New Zealand-Australian relationship to truly flourish, renewed priority must be given to the recognition of rights and obligations of New Zealanders in Australia and Australians in New Zealand.

China

China is New Zealand's largest trading partner. Between us, \$30 billion of goods and services are now traded annually.

Our longstanding relationship began in the 1840s when Chinese travellers first came to New Zealand and has progressed strongly since. In 1972 we formalised diplomatic relations. We share many firsts with China – New Zealand was the first country to agree to China's accession to the World Trade Organisation; the first country to recognise them as a market economy; and we were the first country to conclude a free trade agreement with China. We have cooperated on development in the Pacific and engaged in joint initiatives and programmes.

As this relationship has matured we have raised issues responsibly and respectfully with our friends in Beijing.

In 2016, the National Government launched an upgrade to our free trade agreement. It is important for this upgrade to be a high quality and meaningful agreement that ensures our exporters remain competitive and new opportunities are delivered upon. National believes the Belt and Road Initiative presents a real opportunity to build closer ties and demonstrate trust.

United States of America

The United States and New Zealand have always shared values and enjoy an enduring friendship.

Over the past decade, the relationship between New Zealand and the United States has prospered. Prime Ministers have visited Washington and we have hosted high level political delegations from the United States. We welcomed United States Navy ships to celebrate the Royal New Zealand Navy's 75th anniversary in 2016. We have cooperated on international bodies and organisations. Without leadership from the United States, the Trans Pacific Partnership Agreement would not have been concluded.

Over the past century no country has done more to promote democracy, freedom and security around the world than the United States. New Zealanders and Americans have sacrificed together.

Under National, New Zealand will remain a committed partner. Two way trade covers over \$18 billion worth of goods and services each year and New Zealanders will soon enjoy better business access to the United States. The time is now right for New Zealand to aggressively pursue a high quality and comprehensive free trade agreement with the United States of America.

United Kingdom

We have a special relationship with the United Kingdom. Our shared history and culture continue to underpin a very strong bond.

The UK has provided leadership in advancing humanitarian affairs and stabilising global peace and security. Its pivotal role in the Commonwealth, and our deep security and political relationship, are key influences on our international engagement.

As an independent nation however, this relationship has matured – we now sit alongside the United Kingdom on many issues.

Post Brexit New Zealand and the United Kingdom must negotiate a free trade agreement. Anything short of full liberalisation would miss a real opportunity to show leadership.

We must also work to ensure this relationship is as close in future as it has been in the past. Under National the United Kingdom will not find a better friend than New Zealand.



Hon Todd McClay with Rt Hon Dr Liam Fox, UK Secretary for State for International Trade.

European Union

New Zealand's relationship with the European Union is a strong one. Our shared approach and values in foreign and security policy have formed the basis for greater cooperation.

Our trade with the European Union has grown steadily since its establishment in 1993. Two way trade with the member states of the European bloc means they are our third most valuable trading partner.

In 2017, the National Government began discussions with the European Union on a free trade agreement. That agreement is in the initial negotiating phase and its completion should be a top priority for New Zealand.

National believes New Zealand-European Union cooperation should be greatly enhanced.



Hon Todd McClay with Didier Reynders, Belgium's Minister of Foreign Affairs and Defence.

Singapore

Singapore is our largest trading partner in South East Asia. We are the only two small advanced economies in the Asia Pacific region.

The Singapore New Zealand Closer Economic Partnership Agreement has built on an already important partnership. Our links to Singapore go back to before the Second World War. New Zealand forces were stationed there until the 1980s and we are signatories to the Five Power Defence arrangement along with Malaysia, Australia and the United Kingdom.

We have worked together on regulatory cooperation, consumer protection, e-commerce, enhanced travel access, and focused on reducing the cost of doing business.

In 2017 the National Government announced it had commenced negotiations with Singapore on further improving our defence relationship. Jointly we explored stationing Singapore fighter jet training at Ohakea. Following the change in Government this negotiation was abandoned. National believes joint initiatives like the planned Ohakea training exercise enhance our relationship. We would seek to reinitiate discussions.

National believes New Zealand should deepen existing relationships whilst also exploring new opportunities.

We want your thoughts on the following:

- How should we deepen our relationship with the following countries?
 - Australia
 - China
 - United States of America
 - United Kingdom
 - European Union
 - Singapore
- Which other countries should we grow our relationship with?



Hon Simon Bridges at the International Transport Forum.



Mark Mitchell

National's Defence Spokesperson

Defence

National has always prioritised defence and national security. To protect our interests at home and abroad, we need a defence force that is world class, modern and multifunctional.

To achieve this, National is committed to continual investment into our Defence Force and security services.

The 2016 Defence Capability Plan released under National provided the blueprint of investment needed to give effect to the structure set out in the 2016 Defence White Paper.

The Paper outlined a 15-year modernisation plan worth nearly \$20 billion to ensure the New Zealand Defence Force has the capabilities required to respond to modern security and defence challenges as they arise.

The incoming Government and Defence Minister publicly supported the adoption and continued implementation of National's Defence Capability Plan.

There was then a change of direction and the current Government launched a review of the Defence Capability Plan which has not yet reported back. This has resulted in significant stalling of procurement and investment decisions.

National would immediately mobilise the Defence Capability plan and kick-start the

One of the core responsibilities of Government is to ensure we keep New Zealand and New Zealanders safe. We must ensure our Defence Force is supported to do this.

Hon Mark Mitchell
National's Defence Spokesperson

investment that has been delayed and stalled by the current Government.

National proposes to commit to the significant modernisation and investment into the Defence Force that was outlined in the 2016 Defence White Paper.

We want your thoughts on the following:

- What other areas do we need to be supporting within our Defence Force?

Contributing to International Stability

National believes all states, no matter their size, have a responsibility to contribute towards global order.

We may be small, but we have an important part to play.

In a connected world, many emerging threats have global application. We must back our friends and allies on the frontline, so we can

HAVE YOUR SAY > 2019 DISCUSS

ensure the security of our neighbourhood.

This is why National committed to train Iraqi security forces in partnership with the Australian Defence Force in Baghdad, Iraq. Since the deployment began in May 2015, more than 28,000 Iraqi soldiers have received high-quality training. This has made a significant contribution to the military defeat of ISIS.



Hon Mark Mitchell visiting Indonesia as New Zealand's Minister of Defence.

Promoting Regional Security

We have a duty to promote peace and stability within the South Pacific, Southern Ocean and Antarctic region. Our Defence Force is often called upon for security, surveillance, disaster relief and humanitarian assistance.

National supports international institutions that promote global peace and stability.

We also back New Zealand Defence Force involvement in combined operations abroad that support a rules-based international order.

Through the Mutual Assistance Programme, our Defence Force also provides important technical training and other support to security and defence forces in our region.

New Zealand is a maritime nation. We have the fourth largest exclusive economic zone in the world and the majority of our goods are traded by sea. We have a direct interest in ensuring the UN Convention on the Law of the Sea is universally upheld, so we can maintain maritime security and stability in our region.

National believes New Zealand should be prepared to act to defend international stability and regional security where we can.

We want your thoughts on the following:

- What role should New Zealand play internationally when it comes to our Defence Force?

The importance of our cadets

National recognises the importance of our cadets to the future of the New Zealand Defence Force, which is why we will continue to invest in their recruitment and training.

Through cadet programmes, our young people are able to experience the discipline and camaraderie of the Defence Force. These programmes also serve the greater purpose of feeding our Defence Force with new recruits.

Protecting our National Interests

One of Government's most fundamental responsibilities to its citizens is to keep them safe. The Christchurch mosque attacks on 15 March 2019 were a tragedy that should have been detected and prevented.

But threats to our way of life are not limited to just New Zealand. The rise of terror groups such as the Islamic State in the Middle East and the emergence of violent white nationalist sentiment, among other violent ideologies,

threatens the values we hold dear in New Zealand and threatens our security here and abroad.

This is why it is important for New Zealand to keep building defence partnerships around the world. The previous National Government was committed to this, we were negotiating an agreement with Singapore to base one of their fighter squadrons at Ohakea Air Force base and we were committed to standing up to the forces of terror in Iraq.

A National Government would remain committed to working with our international partners and historic allies to ensure any international terrorist threats that emerge are dealt with in a decisive, co-ordinated way.

To protect our national security, we must remain outward looking and recognise the strong link between international threats and national security.

New Zealand is a connected global citizen – our national security cannot be viewed in isolation from international threats.

Looking forward to the 2020s, National will continue to offer support and assistance where needed to uphold a rules-based order.

National proposes to recommit ourselves to building defence partnerships across the world to better protect our national interests.

We want your thoughts on the following:

- What partners should New Zealand seek enhanced defence agreements with?
- What factors should New Zealand look at to improve how we focus our defence efforts internationally?



Hon Simon Bridges on Anzac Day.



Gerry Brownlee

National's Security Services Spokesperson

Security Services

Once, national security could be defined as protecting our societal values and freedoms from aggressor nations, and intelligence gathering meant knowing the intent of potential aggressor nations.

Now, the definitions need to be much broader. While the prime purpose of protecting our values and freedoms remains, threats can no longer be isolated to nations, but rather identified in ideologies, terrorist cells, activist individuals, activist movements, and any combination of devout but perverted beliefs that lead to violent or destructive acts, either physical or of a cyber nature.

Heightened awareness of international terrorism post the emergence of ISIS and its proclamation of a caliphate across the boundaries of several Middle Eastern countries has made clearer the parallels of war between states, and terrorism inflicted upon states.

We should not confine our thinking about terrorism to acts of violence and physical destruction. So much in our daily lives is now assisted by cyber activity. Information transfers, bill payments, banking and bank records, bookings, work place and business organisations, social organisations, and so many more activities are now cyber dependent. Significant loss of cyber capacity would bring wide scale disruption. Cyber theft and attack can be attractive weapons to the nefarious intentions of terrorists.

In the years ahead, New Zealand will need to be more vigilant in recognising, and active in defending, aggressive acts, both physical and cyber, against our country.

Hon Gerry Brownlee

National's Security Services Spokesperson

As a trading nation that affords its people a much higher standard of living than could be achieved in an economy that didn't reach beyond its borders, we need to be very vigilant for cyber-attacks on systems and networks of not only government agencies, but also the commercial private sector.

Constant review of access to and provision of quality protection and detection capacity should be a priority for the Government Communications Security Bureau.

With the terrorist threat level having been raised to high this year it is clear domestic terrorism is now no less of a concern than terrorism targeted on us by foreign actors or organisations.

New Zealand's security and intelligence arrangements are going to be tested for best practice in the Royal Commission hearings into the tragic events of 15 March 2019 in Christchurch.

International collaboration between like-minded countries is of immeasurable value to New Zealand. Since 1956, New Zealand has been in an intelligence sharing partnership with Great Britain, the United States, Canada, and Australia – an arrangement known as the Five Eyes.

In 2017, the Intelligence and Security Act was passed by the New Zealand Parliament. The Act sets out the parameters for the operations carried out by the New Zealand Security

Intelligence Service and the Government Communications Security Bureau (the Services).

New Zealand Police and New Zealand Defence Force both have intelligence gathering capability. Both station serving staff in intelligence roles off shore. To a lesser extent, Immigration New Zealand and New Zealand Customs have intelligence capabilities both off and on-shore.

A question arises – have we in New Zealand been too comfortable with our security intelligence arrangements, to the point of being a little complacent?

In the years ahead, the need for the Government and all its working parts to be more vigilant in recognising and active in defending against aggressive acts – both physical and cyber – will mean a more regular and rigorous review of New Zealand's security and intelligence apparatus.

National questions whether the current legislative framework in New Zealand is sufficiently broad to keep New Zealanders safe at home and overseas.

We want your thoughts on the following:

- Are there any changes that could be made to our laws to ensure we are able to defend New Zealanders against modern security threats?



Hon Gerry Brownlee visiting New Zealand Defence Forces in Iraq.



Trade

"Our consistent and honest voice in the international trading system, and aggressive pursuit of trade opportunities for New Zealand businesses, have opened up doors for New Zealanders and helped ensure our economy remains strong."

Todd McClay

Spokesperson for Trade

New Zealand is a trading nation. We export around \$82 billion in goods and services every year. Trade supports over 600,000 jobs across our country, and is responsible for a higher standard of living and better quality of life for New Zealanders.

National has a proud and strong record in fighting for improved trade opportunities for New Zealanders. In Government, we have always taken a strong and aggressive stance in support of free trade.

National's trade policy is based on four pillars:

- **Improving market access** for goods exports through improving our network of free trade agreements
- Working to **overcome non-tariff barriers** that other countries impose on New Zealand exporters
- **Improving capacity** and performance of our **services trade**, including tourism, education and other high-value services in international markets
- Translating **market access into market success**, by deepening and expanding New Zealand's exporting base

Leadership on trade

National will continue its record of showing leadership internationally and domestically on trade policy, seeking new free trade agreements, and improving the multilateral rules-based system of trade at the World Trade Organisation.

Our consistent and honest voice in the international trading system, and aggressive pursuit of trade opportunities for New Zealand businesses, have opened doors for New Zealanders and helped ensure our economy remains strong.

Public engagement on trade

In Government, National dramatically improved public engagement on trade issues. We launched unprecedented public presentations and engagement on New Zealand's trade policy and free trade agreement negotiations. We need to be transparent with the public about how improved trade connections increase opportunities that lift New Zealanders' living standards.

However, unlike many other countries, New Zealand doesn't require a parliamentary vote on whether to sign a concluded trade deal. We only require Parliament to become involved when we change laws to ratify agreements.

The Trans Pacific Partnership, Pacer Plus and the revised TPP agreements were all released publicly prior to signature. This was done for reasons of transparency and so the public and business community could assess benefits to New Zealand.

High quality free trade agreements are in the best interests of New Zealand. They level the playing field in our favour, create jobs, lower costs and allow our businesses to remain competitive and productive. Greater parliamentary debate on the importance of trade will build greater confidence in these benefits.

The question over whether Parliament should be offered a vote on a trade agreement before it is signed needs to be explored.

National believes greater consensus around trade agreements needs to be developed.

We want your thoughts on the following:

- Should trade deals be released to the public prior to signature?
- Should Parliament have a debate on trade deals prior to signature?
- Should Parliament be offered a vote on a trade deal prior to its signature?





An ambitious trade agenda

The previous National Government was actively involved in establishing negotiations for a range of new trade agreements including negotiations for the Regional Comprehensive Economic Partnership, the Pacific Alliance, upgrades of our agreements with China and Singapore, and establishing negotiations with the European Union and the United Kingdom.

National is committed to an ambitious trade agenda to advance New Zealand's trade interests internationally.

Currently New Zealand is negotiating:

- The Regional Comprehensive Economic Partnership (Southeast Asia, Australia, China, India, Korea, and Japan)
- The Pacific Alliance (Chile, Colombia, Mexico, and Peru)
- The European Union
- India
- Gulf States
- Upgrade with China

We have announced interest in:

- Sri Lanka
- Mercosur countries (Argentina, Brazil, Paraguay and Uruguay)
- United States of America
- United Kingdom

The business community has expressed interest in:

- Nigeria
- South Africa
- Indonesia
- Other South American Countries

National wants to set an ambitious trade agenda completing trade deals we have already initiated, launching trade deals where opportunities are arising, and exploring emerging markets.

We want your thoughts on the following:

- What trade opportunities should New Zealand be focusing on?
- What should be our priorities for the next 10 years?
- What should be our priorities for the next 20 years?

NZ-USA Free Trade Agreement

The United States is the largest and most successful economy the world has ever seen. Securing a free trade agreement with the United States should be a core objective of New Zealand's trade policy.

Our trading relationship is worth over \$18 billion in two way trade and the United States is a major market for agricultural products, innovation and research, and tourism.

We gain value from this relationship and we should continue to press for opportunities to strengthen it. National will aggressively pursue a high quality and comprehensive free trade agreement with the United States as a top priority.

National proposes to seek a free trade agreement with the United States as a core priority of New Zealand's trade agenda.

We want your thoughts on the following:

- What areas should New Zealand focus on for securing a better trading relationship with the United States?

World Trade Organisation Reform

The World Trade Organisation (WTO) is a membership organisation that has created a rules-based system to support and enhance international trade. It has created trade certainty in an uncertain world. While the WTO is not without flaws, New Zealand has benefited significantly through membership.

National believes there is a case to modernise the WTO to ensure the principles that have underpinned world trade are maintained.

Ensuring that the organisation runs smoothly, has the ability to build consensus in multilateral trade, and provide authoritative, fair and timely rulings on disputes is vital to ensuring an orderly international trade system.

National proposes to seek every opportunity to work to reform the WTO in a way that allows it to function effectively.

National supports moves to reform the World Trade Organisation and believes it is vital the global community work to modernise the organisation in a way that supports a global rules based order.

We want your thoughts on the following:

- How can New Zealand build better support for global trade rules?
- What reforms of the WTO should be considered?



Hon Todd McClay with Robert Lighthizer, United States Trade Representative.

Doubling trade with China

In 2014, Prime Minister John Key and Chinese President Xi Jinping committed to an ambitious target of \$30 billion of two way trade by 2020. This target has now been met.

New Zealand is in the middle of negotiations to upgrade our free trade agreement. These negotiations began in 2016. For the free trade agreement upgrade to be judged a success it must deliver high quality and commercially meaningful gains for New Zealand.

Now is the time to take our trading relationship to another level. It is time to set a new ambitious goal.

New Zealand and China should commit to a doubling of two-way trade by 2030. This would mean our trade would rise from \$30 billion to \$60 billion over the course of the next decade.

As we look to develop deeper trade ties with all parts of the world, a doubling of trade with China would create jobs, stimulate growth and further support New Zealand businesses.

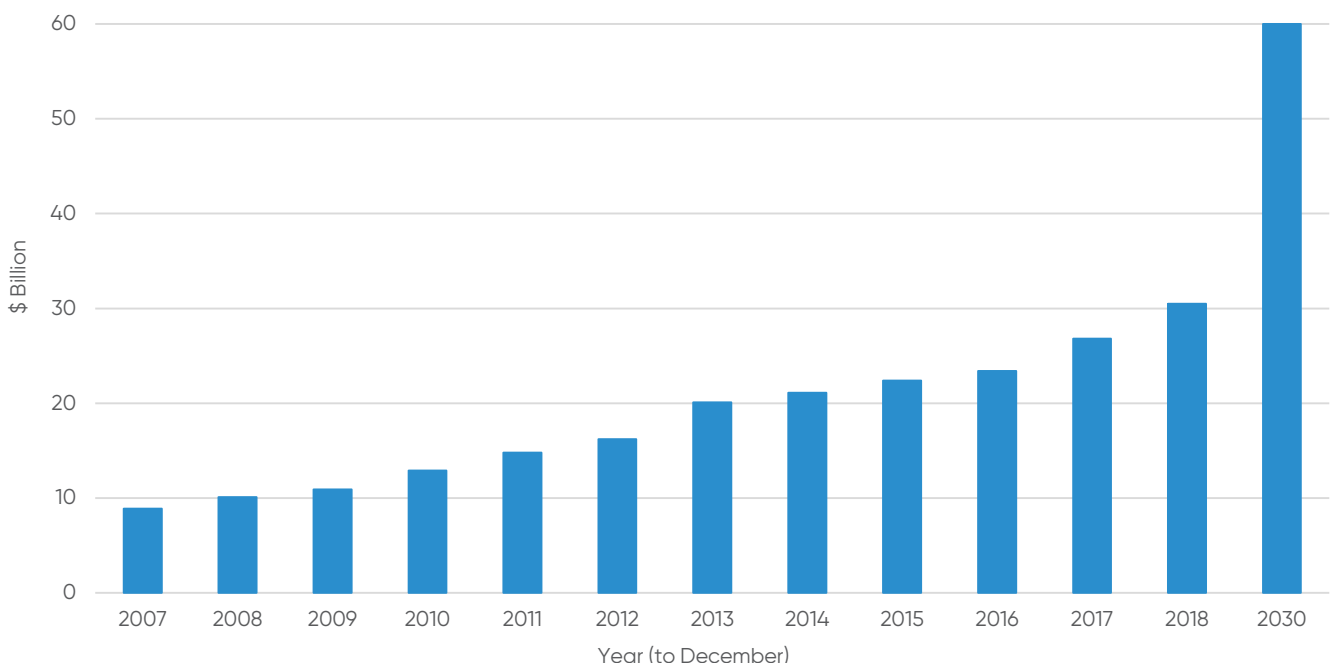
With the right settings, concise and clear rules, a progressive relationship, and a high quality upgrade to the free trade agreement, this target is achievable.

National believes we need an ambitious trade agenda to advance the opportunities we can provide for our businesses, job creation, and incomes in New Zealand.

We want your thoughts on the following:

- What other trade targets should New Zealand be seeking to achieve over the coming decade?

NZ-China Two Way Trade





Official Development Assistance

"It is important to recognise that Official Development Assistance operates at the goodwill of the New Zealander taxpayer. It must be accountable."

Todd McClay

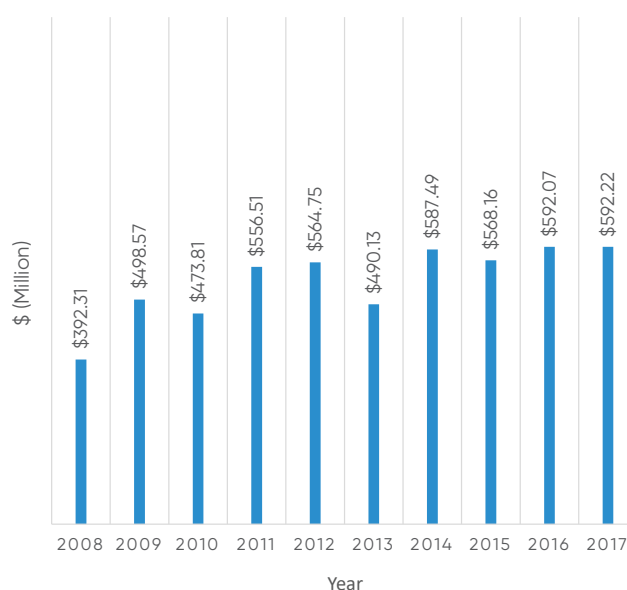
Spokesperson for Foreign Affairs

New Zealand, like most developed countries, has taken on responsibilities to deliver development assistance to countries that need support. We do this through Official Development Assistance (ODA) which accounted for \$768 million in the 2018 budget.

Pacific countries are rightly the largest recipient of New Zealand's ODA. Over the 2015–2018 period, New Zealand contributed 59 per cent of our ODA to the Pacific. Trade agreements like PACER and the recently concluded trade and development agreement PACER Plus help deliver mutual benefits to Pacific nations and to New Zealand.

New Zealand aid generally operates well. In 2015, the OECD's Development Assistance Committee found that New Zealand delivers aid effectively and has a clear strategy and results framework for the delivery of our development programme.

NZ ODA Budget 2008 – 2017



HAVE YOUR SAY > 2019 DISCUSS

ODA, unlike most forms of public funding, is measured internationally by the total level of funding committed rather than its results. Globally, developed countries have committed to spend 0.7 per cent of their Gross National Income on ODA. Currently, New Zealand contributes 0.27 per cent of Gross National Income, which sits at about the median spending of OECD countries.

An increase to 0.7 per cent would cost taxpayers an additional \$1.17 billion per year.

Although New Zealand must continue to strive towards discharging our commitments, we should also focus on where we can make a realistic difference.

National believes we must build a social licence for ODA through programmes that deliver results.

We want your thoughts on the following:

- How can we best achieve good outcomes from our ODA spending?
- How do we best balance national interests with global responsibilities?
- Should the New Zealand public be proactively provided more information about the work being done as part of our ODA programme?

Building social licence

It is important to recognise that ODA operates on the goodwill of taxpayers who fund the programmes.

In many cases, New Zealand ODA projects can be delivered by New Zealand companies and organisations. Building local roads, providing

certain services, and acquiring new technologies are often areas where New Zealand organisations and companies have expertise. Using those organisations to deliver ODA would help to ensure greater accountability. It will also benefit New Zealand.

National proposes that where feasible New Zealand companies and organisations should be given priority to undertake ODA work.

New Zealand companies in the Pacific

New Zealand companies play a large role in delivering infrastructure projects in the Pacific. Major companies such as Fletcher and Fulton Hogan have been actively engaged in projects in Fiji. This presence allows our companies to bring their expertise into the region, delivering positive outcomes for the Pacific and for New Zealand.

The Government should work to improve capacity for more New Zealand businesses to engage in overseas aid delivery. This will increase the options available for Pacific communities, increase competition, advance New Zealand's interests, and improve New Zealanders' confidence in the benefits of our ODA.

National believes our ODA must meet the expectations of New Zealanders.

We want your thoughts on the following:

- Should New Zealand be focused on using New Zealand based companies for the delivery of our ODA?
- How could we better use New Zealand companies to deliver our ODA?

Non Governmental Organisations

Across the world, non governmental organisations (NGOs) are connecting with communities to deliver development assistance through charitable work and partnership with Governments.

New Zealand currently engages NGOs directly and indirectly. These organisations are both New Zealand based and international. They receive direct funding and have access to contestable funding.

NGOs play a vital role in the delivery of a successful aid and development programme. A National Government would work to give New Zealand based NGOs greater certainty of funding and support.

National believes New Zealand should work more closely with NGOs to deliver ODA.

We want your thoughts on the following:

- How can New Zealand better work with NGOs and charities to achieve positive development outcomes?
- Should New Zealand be working more closely with NGOs to deliver ODA?

Focusing Overseas Development spending

Much of New Zealand's ODA occurs through bilateral initiatives between New Zealand and the recipient country. This approach allows us to work collaboratively.

As a small country, our ability to tackle major structural issues in developing countries can

be limited. But New Zealand does contribute through building multilateral partnerships to deliver assistance.

For example, New Zealand was a co-host of the Pacific Energy Conference which was held in Auckland in June 2016 alongside the European Union. The conference was attended by Pacific leaders, representatives from partner countries, businesses, and development organisations and generated \$1 billion in committed investments. New Zealand would have been unable to engage in a meaningful way without partners; the total amount raised was equal to 130 per cent of the total forecast New Zealand ODA budget for 2018.

Public accountability

Ensuring ODA spending is accountable and shows clear results helps build a social licence for our development activities overseas.

Ensuring we have regular and reliable assessments of our development assistance both by international organisations and by our own Government agencies, and that the public be able to access this information would help to ensure our ODA programme remained effective and accountable.

Ensuring there are regular reviews of the projects New Zealand chooses to invest in, both through international monitoring but also by our own agencies, like Treasury, will help to build a programme that allows us to fulfil our international obligations and build on the credibility of our ODA programme.

National's International Affairs Team

2019



Simon Bridges
National Party Leader



Todd McClay
Spokesperson for
Foreign Affairs and Trade



Mark Mitchell
Spokesperson for Defence



Gerry Brownlee
Spokesperson for
Security Services



Tim Macindoe
Associate Spokesperson for
Foreign Affairs and Trade



Simon O'Connor
Chairperson of Foreign
Affairs, Defence and Trade
Select Committee

Feedback

National's vision

Please fill out the below (feel free to add any additional comments) and post them to:

FREEPOST PARLIAMENT

Hon Todd McClay
Parliament Buildings
Wellington

Post to Parliament is free so you don't need to add a stamp. You can also visit national.org.nz for an online version.

- | | Agree | Disagree |
|--|--------------------------|--------------------------|
| 1. National believes we must continue to be outward facing and nationally focused in our foreign and security policy. We will continue to advance fundamental values on the world stage. | <input type="checkbox"/> | <input type="checkbox"/> |

We want your thoughts on the following:

- How can New Zealand best reflect our values in foreign and security policy?
 - What other values should New Zealand promote internationally?
-
-

- | | | |
|---|--------------------------|--------------------------|
| 2. National believes New Zealand should pass the Autonomous Sanctions Bill as a priority so we can stand with likeminded countries against aggression and breaches of human rights. | <input type="checkbox"/> | <input type="checkbox"/> |
|---|--------------------------|--------------------------|

We want your thoughts on the following:

- Should New Zealand introduce powers to allow us to impose sanctions on countries without waiting for the United Nations Security Council to act?
 - Should New Zealand continue to condemn the aggressive actions of countries where they occur?
-
-

- | | | |
|---|--------------------------|--------------------------|
| 3. National believes the effectiveness of our overseas representation must be a primary focus and be responsive to the needs of New Zealanders. | <input type="checkbox"/> | <input type="checkbox"/> |
|---|--------------------------|--------------------------|

We want your thoughts on the following:

- Where do you believe New Zealand needs to increase our international footprint?
 - How can we deliver better value for money when it comes to our international presence?
-
-

Agree Disagree

4. National believes the public deserves openness and more information on New Zealand's activities on the world stage.

☐
☐

We want your thoughts on the following:

- Should the Government engage in more outreach within New Zealand on issues relating to our foreign policy?
 - Should Parliament have greater scrutiny of foreign affairs decisions?
 - Is robust parliamentary debate an important part of good foreign policy?
 - How do we best ensure that bipartisanship is at the core of our foreign policy?
-
-

5. National believes New Zealand should continue working with multi-lateral organisations to advance our interests and uphold our values.

☐
☐

We want your thoughts on the following:

- Should the United Nations Security Council retain the current veto system for the five permanent members of the United Nations Security Council?
 - What other reforms should New Zealand seek at the United Nations?
-
-

6. National believes New Zealand should deepen existing relationships whilst also exploring new opportunities.

☐
☐

We want your thoughts on the following:

- How should we deepen our relationship with the following countries? (Australia, China, United States of America, United Kingdom, European Union, Singapore)
 - Which other countries should we grow our relationship with?
-
-

7. National proposes to commit to the significant modernisation and investment into the Defence Force that was outlined in the 2016 Defence White Paper.

☐
☐

We want your thoughts on the following:

- What other areas do we need to be supporting within our Defence Force?
-
-

Agree Disagree

8. National believes New Zealand should be prepared to act to defend international stability and regional security where we can.

☐☐

We want your thoughts on the following:

- What role should New Zealand play internationally when it comes to our Defence Force?

9. National proposes to recommit ourselves to building defence partnerships across the world to better serve the protection of our national interests.

☐☐

We want your thoughts on the following:

- What partners should New Zealand seek enhanced defence agreements with?
- What factors should New Zealand look at to improve how we focus our defence efforts internationally?

10. National questions whether the current legislative framework in New Zealand is sufficiently broad to keep New Zealanders safe at home and overseas.

☐☐

We want your thoughts on the following:

- Are there any changes that could be made to our laws to ensure we are able to defend New Zealanders against modern security threats?

11. National believes greater consensus around trade agreements needs to be developed.

☐☐

We want your thoughts on the following:

- Should trade deals be released to the public prior to signature?
- Should Parliament have a debate on trade deals prior to signature?
- Should Parliament be offered a vote on a trade deal prior to its signature?

12. National wants to set an ambitious trade agenda completing trade deals we have already initiated, launch trade deals where opportunities are arising, and explore emerging markets.

☐☐

We want your thoughts on the following:

- What trade opportunities should New Zealand be focusing on?
- What should be our priorities for the next 10 years?
- What should be our priorities for the next 20 years?

Agree Disagree

13. National proposes to seek a free trade agreement with the United States as a core priority of New Zealand's trade agenda.

☐☐

We want your thoughts on the following:

- What areas should New Zealand focus on for securing a better trading relationship with the United States?

14. National supports moves to reform the World Trade Organisation and believes that it is vital that the global community work to modernise the organisation in a way that supports a global rules based order.

☐☐

We want your thoughts on the following:

- How can New Zealand build better support for global trade rules?
- What reforms of the WTO should be considered?

15. National believes we need an ambitious trade agenda to advance the opportunities we can provide for our businesses, job creation, and incomes in New Zealand.

☐☐

We want your thoughts on the following:

- What other trade targets should New Zealand be seeking to achieve over the coming decade?

16. National believes we must build social licence for ODA through programmes that deliver results.

☐☐

We want your thoughts on the following:

- How can we best achieve good outcomes from our ODA spending?
- How do we best balance national interests with global responsibilities?
- Should the New Zealand public be proactively provided more information about the work being done as part of our ODA programme?

Disagree

-

- Should New Zealand be focused on using New Zealand based companies for the delivery of our ODA?
- How could we better use New Zealand companies to deliver our ODA?

-

- How can New Zealand better work with NGOs and charities to achieve positive development outcomes?
- Should New Zealand be working more closely with NGOs to deliver ODA?

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Printed on 100% recycled paper

Funded by the Parliamentary Service. Authorised by S Bridges, Parliament Buildings, Wellington.